

BlackRock Smaller Companies Trust plc

July 2014 Factsheet

Performance (as at 31.07.2014)

Sterling:	1 M %	3 M %	1 Y %	3 Y %	5 Y %
Net Asset Value*	-1.0	-4.5	14.1	43.4	197.4
Share Price*	-0.8	-8.9	13.1	46.9	234.7
Numis ex Inv Companies + AIM*	-1.5	-3.5	7.9	25.0	89.6

*performance calculations based on a capital only NAV with debt at par[^], without income reinvested. Share price performance calculations exclude income reinvestment. The debenture stock issued by the Company is valued at par which represents the value due to be paid to holders of the debt at maturity.

[^]Debt at Par Value - The par value of a debt security represents the price that will be paid to the holders of that debt at maturity.

Annual Performance to the Last Quarter End

	30/06/13	30/06/12	30/06/11	30/06/10	30/06/09
	30/06/14	30/06/13	30/06/12	30/06/11	30/06/10
	%	%	%	%	%
NAV Performance	25.7	29.8	-7.6	60.8	41.5
Share Price Performance	25.9	35.9	-8.0	65.0	42.4

Performance statistics sources: BlackRock, Datastream and Standard & Poor's Micropal. Performance figures are calculated on a mid market basis in sterling terms. NAV performance calculations are done on a capital only basis with debt at par.

- Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.
- The latest performance data can be found on the BlackRock Investment Management (UK) Limited website at: www.blackrock.co.uk/brsc.

The performance of the Company's portfolio, or Net Asset Value ("NAV") performance, is not the same as share price performance and shareholders may not realise returns which are the same as NAV performance.

Ten Largest Investments (in alphabetical order as at 31.07.2014)

Company	Total Market Value %
Optimal Payments	2.0
Workspace Group	1.8
Avon Rubber	1.7
Senior Engineering	1.6
Polar Capital Holdings	1.5
Bodycote	1.4
Headlam Group	1.4
Elementis	1.3
Tyman	1.3
St Modwen Properties	1.3

A full disclosure of portfolio investments for the BlackRock Smaller Companies Trust plc as at 30 June 2014 has been made available on the Company's website at the link given below:

<http://www.blackrock.co.uk/intermediaries/literature/fund-update/brsct-portfolio-disclosure.pdf>

Company Objective

To achieve long term capital growth for shareholders through investment mainly in smaller UK quoted companies.

Important Information

All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed.

The Company's investments may be subject to liquidity constraints, which means that shares may trade less frequently and in small volumes, for instance smaller companies. As a result, changes in the value of investments may be more unpredictable. In certain cases, it may not be possible to sell the security at the last market price quoted or at a value considered to be fairest.

Overseas investments will be affected by currency exchange rate fluctuations.

The Company may from time to time utilise gearing. Gearing works by magnifying the company's performance. If a company 'gears up' and then markets rise and the returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

NMPI Status

The Company currently conducts its affairs so that its securities can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The securities are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Comments from the Fund Manager

- During July the Company's NAV per share fell by 1.0% on a capital only basis whilst the benchmark index fell by 1.5%; by contrast the FTSE 100 Index fell by 0.2%.
- Modest outperformance was driven by stock selection. The impact from sector allocation was neutral and from gearing slightly negative.
- The largest individual stock contributor to relative outperformance was Hyder Consulting. Hyder received a bid from Arcadis. In early August, Nippon Koei announced a slightly higher offer for Hyder. During July, Hyder shares rose by 41%, a welcome and full recovery to the level before the profit warning earlier this year.
- On the negative side, Blinkx indicated that revenue growth had slowed; forecasts were cut. We decided to sell our holding.
- Activity within the portfolio was limited during the month.

Sources: BlackRock, Datastream, Bloomberg and Standard & Poor's Micropal

Reference to the names of each company mentioned in this communication are merely for explaining the investment strategy, and should not be construed as investment advice or investment recommendation of those companies.

Gearing

- Investment companies can borrow to purchase additional investments. This is called 'gearing'. It allows investment companies to take advantage of a long-term view on a sector or to take advantage of a favourable situation or a particularly attractive stock without having to sell existing investments.
- Gearing works by magnifying the company's performance. If a company 'gears up' and then markets rise and the returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

Fund Information (as at 31.07.2014)

Net Asset Value Capital only (debt at par value†)	891.84p
Net Asset Value Capital only (debt at fair value‡)	884.39p
Net Asset Value incl. Income (debt at par value)*	900.89p
Net Asset Value incl. Income (debt at fair value)*	893.84p
*Includes net revenue of	9.05p
Share Price	786.50p
Discount to Cum Income NAV (debt at par value)	12.7%
Discount to Cum Income NAV (debt at fair value)	12.0%
Net gearing incl. Income (debt at fair value)	9.0%
Gearing range as a % of net assets	0-15%
Net yield^^	1.5%
Total Assets (including current year revenue)	£471.2m
2014 Ongoing charges ratio^^	0.7%
2014 Ongoing charges ratio (including performance fees)	1.0%
Issued capital – Ordinary Shares^	47,879,792
^excluding shares in treasury	2,113,731

†Debt at Par Value - The par value of a debt security represents the price that will be paid to the holders of that debt at maturity.

‡Debt at Fair Value – The fair value of a debt security for the purpose of calculating this NAV has been based on last available quoted prices on the London Stock Exchange.

^^As reported in the Annual Financial Report for the year ended 28 February 2014, the ongoing charges ratio is calculated as a percentage of net assets and using operating expenses, excluding performance fees, finance costs and taxation.

^^Yield calculations are based on dividends announced in the last 12 months as at the date of release of this announcement, and comprise the final dividend of 7.40 pence per share (announced on 25 April 2014 and gone ex-dividend on 14 May 2014) and the interim dividend of 4.60 pence per share, (announced on 24 October 2013, gone ex-dividend on 30 October 2013).

Sector Weightings (as at 31.07.2014)

	% of Portfolio
Industrials	30.3
Financials	16.5
Consumer Services	16.3
Technology	9.5
Basic Materials	8.9
Health Care	6.9
Consumer Goods	6.1
Oil & Gas	3.6
Telecommunications	1.9
TOTAL	100.0

Key Company Details

Fund Characteristics:

Fund Manager	Mike Prentis
Launch Date	May 1906
Dealing Currencies	Sterling
AIC Sector	UK Smaller Companies
Benchmark	Numis Smaller Companies plus AIM (ex Investment Companies)
Traded	London Stock Exchange
Alternative Investment Fund Manager (with effect from 2 July 2014):	BlackRock Fund Managers Limited

Fund Codes

ISIN	GB0006436108
Sedol	0643610
Bloomberg	BRSC:LN
Reuters	BRSC.L
Ticker	BRSC/LON

Financial Calendar

Year end:	28 February
Results announced:	October (half yearly) April (final)
AGM:	June
Dividends paid:	December (interim)/June (final)
Investment Manager:	BlackRock Investment Management (UK) Limited
Savings plan and stocks and shares ISA:	Available via BlackRock. Please see the Investment Trust brochure and Key Features document for more information.

► BlackRock Smaller Companies Trust plc will not invest more than 15% of its gross assets in other listed investment trusts.

► BlackRock Smaller Companies Trust plc is traded on the London Stock Exchange and dealing may only be through a member of the Exchange.

BlackRock has not considered the suitability of this investment against your individual needs and risk tolerance. To ensure you understand whether this product is suitable, please read the Key Features document and the current Annual and Half Yearly Financial Reports which provide more information about the risk profile of the investment.

If after reading this factsheet you have any questions or would like any additional information, please contact your financial adviser or speak to our Investor Services Team.

The purpose of this factsheet is to provide summary information concerning the Company and does not constitute a recommendation to buy or sell its shares. If you are in any doubt as to the suitability of any of our funds for your investment needs, please contact your Financial Adviser.

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